

NYISO Business Issues Committee Meeting

February 20, 2002

NYS Nurses Association
11 Cornell Road
Latham, NY 12110

MINUTES OF THE MEETING

I. Welcome & Meeting Objectives

Mr. Stephen Wemple, Chairperson of the Business Issues Committee (BIC), called the meeting to order at 10:07 AM and welcomed the members of the Business Issues Committee. The attendees introduced themselves and the companies that they represent.

II. Approval of the Minutes

Approval of the January 23, 2002 BIC Minutes was deferred to the March 2002 BIC Meeting to allow a Market Participant to submit comments on the Minutes.

III. Chairperson's Report

Mr. Wemple's report to the committee covered three issues. First, he announced that tomorrow, Feb. 21, there would be a joint meeting of the Management Committee and Nepoch Participants Committee in Hartford to cover procedural and technical issues related to the proposed RTO. The possibility of adjusting the BIC schedule to accommodate business issues related to the NERTO was raised.

Second, Mr. Wemple stated that the ICAP deliverability issue, which to that point had been reviewed by a MSWG task force, will be moved to the ICAP working group. He mentioned that he would touch base with Mr. Matthew Picardi, the chairperson of the ICAP working group.

Third, Mr. Wemple informed the committee that the MC had given a "homework" assignment to it, which would be to look at the 85/15 sharing formula for ISO cost. He charged the MSWG to include this task in upcoming meetings and to report back to the BIC by fall of this year. Mr. Michael Mackles, NYISO Corporate Credit Manager, gave a brief summary of the process for arriving at the 85/15 split.

IV. Market Operations Update

Report on Project Plan

Mr. John Hickey, NYISO, presented the 2002 project plan. He explained how the Senior Management Steering Group and the Project Priority Team work in parallel to prioritize new issues, and how these issues become projects in the project plan. Mr. Hickey confirmed that 2002 project plan presented to the BIC is the same plan that was presented to the MC.

Mr. Hickey described how after the issues became projects they are assigned to one of six categories in the project plan. He said that the highest priority projects are the anchor projects. He also stated that the NYISO is looking at better ways to present the project plan that will include more information. The current plan only shows start and end dates and does not include resource estimates, or staged deliveries.

Mr. Hickey noted that the project plan is resource constrained so that is additional resources become available, a project time line can move up. Projects can also be split off such that one piece of a project may be delayed while another piece moves forward. He added that outsourcing is considered as an additional resource, and that option is weighed against the inefficiency of the need for NYISO staff time to support the contracted staff.

Mr. Aaron Breidenbaugh, of Navigant, asked how a Market Participant should appeal for a change in the project plan. Mr. Wemple replied that the best approach would be to work through the ISO working groups, and that a motion to amend the plan could be brought to the BIC or the MC. After Mr. Keith O'Neil, of NRG suggested that MPs need an explanation for why projects slip. Ms. Doreen Saia, of Couch White, also added that MPs shouldn't set deadlines that the NYISO cannot meet, and should honor independent decisions made by the NYISO.

Monthly Market Data

Mr. Charles King, NYISO, presented the Monthly Market Data. Mr. King began his presentation by pointing out that average daily total price for January 2002 was noticeably lower than the same period 2001, and attributed this drop to the milder weather in 2002. He pointed out that here were incorrect statistics for January 2002 on slide 4-C, and that some of the zonal slides were also incorrect. He added that the package would be re-issued with the correct data.

With regard to multi-hour block transactions, Mr. King noted an increasing trend in the level of participant usage. Mr. Mark Younger, of Slater Consulting, asked when the NYISO would start including price estimate within the zonal graph. Mr. King agreed to take an action item to see if this data could be included in the re-issue of the package.

With respect to the virtual bidding slide, Mr. King explained the significance of the "Authorized – Not Bid" Mw amount is that it shows an increased in usage of virtual bids by approved participants within their approved limits.

Mr. Younger asked the NYISO to provide additional information in the Monthly Report concerning LSE bidding of price capped loads. Mr. Steve Balsler, NYISO, agreed to take

an action item to explore way of presenting this data in future report, and to report back to the BIC with examples of how the data might be presented.

Mr. King pointed out that in the last slide of the package there appeared to a trend toward convergence of the DAM and Real Time LBMPs. He claimed that this convergence could be attributed to the introduction of virtual bids.

NYSIO Transaction Performance

Mr. King explained that the transaction performance data is presented on a “Transaction-Hour” basis, and that the information was gathered primarily from operations. For transactions submitted to the NYISO, the presentation shows how many transactions were curtailed, and for what reasons.

Mr. King offered to continue to update the data if participants thought the information might be of some use. When asked for the specific definition of “proposed transactions”, Mr. King took an action item to double check the source of the information and report back to the committee.

When Mr. Howard Fromer, of PSE&G, asked how effective the real time desk has been at restoring failed transactions, Mr. King agreed to take an action item to review the information and report back to the committee at a future date.

Review of Offer Restrictions in the 10 Minute Non-synch Reserve Market

Mr. King noted that all of the slides for this presentation were based on analysis conducted by the Market Advisor, David Patton and the Market Monitoring Unit. He explained that even though on average there is about 50% more non-synch reserve bid into the market than the amount accepted, the HHI analysis shows that ownership of the reserve is concentrated among a small number of participants. Because of the high concentration, Mr. King expressed the NYISO’s recommendation to maintain the existing requirement to bid and extend to Non-ICAP providers. The NYISO recommendations also included the removal of the offer cap of \$2.52 per Mw, the establishment of reference prices, and a repeat of the assessment after one year.

Mr. James Scheiderich, of Select Energy, expressed his concern that by extending the offer requirement to Non-ICAP resources, those resources would become ICAP suppliers by default.

Mr. Mark Reeder, of the NYSDEC, asked what the NYISO intention was by making these recommendations to the BIC. Mr. King replied that the recommendation could be included in the upcoming comprehensive filing, or can go through a review by the appropriate working group.

Elaine Robinson recommended that further discussion of the recommendation be deferred to a special AMP Task Force Meeting, which would be scheduled for Feb. 25th

V. Presentation on Schedule 1 Analysis

Mr. Andrew Hartshorne, of LECG, presented the results of an analysis of the various components of Schedule 1 charges that are summarized in the daily and monthly reconciliation report. He qualified his analysis by stating that it was in the early stages, and that format and data will change as the analysis progresses. He described how BPCG, energy residual, loss residual, and congestion residual were four components of Schedule 1 that his analysis addressed. The analysis of the balancing market also included DAM contract balancing.

Mr. Hartshorne explained the details related to positive and negative residuals for each of the components. He showed a summary of the DAM BPCG for a single day, which indicated a rather large discrepancy between reported amounts and calculated amounts of uplift. He attributed the discrepancy to the current method for estimating lost opportunity cost and mitigation of start-up and minimum generation cost.

Mr. Hartshorne identified a number of possible problems as the result of his analysis.

VI. Status report on Comprehensive Mitigation Filing (Agenda Item 11)

Mr. King covered the high points of the Comprehensive Mitigation filing. He affirmed that the threshold value that will be employed during congestion period will be the 2% maximum annual exposure curve, but also added that a re-assessment will be conducted after the 2003 summer capability period.

When asked when the filing document would be made public, Elaine Robinson, of the NYISO, replied that the revised Market Monitoring Plan tariff language would be distributed at least three days before the March 1 filing date.

In response to questions regarding flaws in the market mitigation plan, Mr. Steve Balsler, on the NYISO, stated that he was not prepared to discuss the question at this meeting and that the issue will be discussed at the AMP Task Force Meeting on Feb. 25th.

VII. Presentation on the Options for a “Non-Incentivized” Revenue Neutral PRL Proposal (Agenda Item 9)

Dave Lawrence, of the NYISO, summarized the history of the Price Responsive Load Programs. He stated that when the incentivized program were developed, the PRL working group was charged to study load response program that did not include an incentive component. He announced that the working group came up with two proposals, plus a no change proposal.

Mr. John Little, of Navigant, presented three options. Mr. Little started with the no change option as a benchmark to represent how the program works currently. This option pays

incentives to the DRP. For Option 2, Mr. Little showed how The Demand Response Provider is given the credit for the day ahead scheduled load reduction, and how the DRP will pay for underperformance by balancing in the real time market. For the third option, Mr. Little explained that the LSE would receive the day ahead credit and pay any underperformance balancing charges. Additionally, this option would have the DRP and LSE negotiate separate terms and conditions for the load reduction service provided by the DRP.

VIII. Act on BIC Bylaw Changes Pre-approved by the MC (agenda Item 7)

Mr. Steve Schell, of Hunton and Williams, related the details of a motion that was passed at the Management Committee on February 7, 2002 to amend the ISO Agreement and the MC By-Laws, and to pre-approve By-Laws for the OC and BIC. He reported that the amendment to the By-Laws was intended to tighten up the definition of “Small Consumer”, and to include a quorum requirement for the Small Consumer sub sector. The motion was passed unanimously.

Motion #1:

WHEREAS, the Management Committee, at its February 7, 2002 meeting, approved revisions to the ISO Agreement and the Management Committee By-Laws proposed by the Management Committee’s By-Laws & Governance Subcommittee;

WHEREAS, the Management Committee’s revisions to the ISO Agreement require conforming changes to be made to Section 7.04 of the Business Issues Committee By-Laws; and

WHEREAS, the Management Committee, at its February 7, 2002 meeting, pre-approved for action by the Business Issues Committee the attached conforming amendments to Section 7.04 of the Business Issues Committee By-Laws;

NOW, THEREFORE, IT IS MOVED that the Business Issues Committee approve the attached amendments to the Business Issues Committee By-Laws.

(Motion passed unanimously by a show of hands)

In response to Mr. Breidenbaugh’s question as to when the amended By-Laws would become effective, Mr. Wemple replied that the amendment will require FERC approval, and take at least a couple months.

IX. Proposal to Revise Transmission Loss Allocation (Agenda Item 6)

Mr. Rick Gonzales, of the NYISO, communicated a proposed change in the methodology used by the NYISO to calculate subzone losses. He observed that the current method

computes not equivalent to losses calculated by transmission owners, because of the use of static breakdown factors that are not always accurate. The inconsistency results in positive and negative unaccounted energy when truing up subzone loads to retail metered loads. Mr. Gonzales further explained that misallocation of subzone losses results in LSEs in one zone being charged inappropriately for the losses of LSEs in another zone.

Mr. Gonzales reported the results of an operating study that illustrated specific example of the misallocation of losses.

Mr. Gonzales proposed that in the long term the implementation of a state estimator will solve the inconsistencies in subzone loss calculation, and the ensuing misallocation of losses to LSEs. Given the fact that the implementation of the state estimator would not be happening soon, Mr. Gonzales proposed an interim method that would use EDC areas to provide more accurate loss estimates.

Mr. Jerry Ancona, of NMPC, moved to adopt the proposal, which was passed by role call.

Motion #2:

Proposal to approve the Proposed Interim Methodology as detailed below:

- ❖ Use same EDC Model that currently provides total NYCA loss estimate
- ❖ Use detailed EDC Areas to provide more accurate locational loss estimates within the NYCA
- ❖ Use breakdown factors for EDC Areas to estimate subzone losses
- ❖ 9 EDC Areas breakdown to 22 subzones

(Motion passed with 89.27 % affirmative votes)

Mr. Jerry Dunbar, of Consolidated Edison, moved to table the motion in order to provide addition time to evaluate the consequences of the interim methodology. The motion failed by role call.

Motion #3:

Motion to table Motion #2

(Motion failed with 38.37 % affirmative votes)

X. Status Report of OSS and Pre-Scheduling Deployment

Pre-Scheduling

Mr. Dick Mills, of the NYISO, informed the committee that an interim version of the Pre-Scheduling package will be deployed in advance of the OSS sometime in late March or early April. Since the interim version will not be included with the OSS, it will employ the existing MIS with new web pages. He mentioned that pre-scheduling would extend the bid box to 18 months, and that users would be able to submit queued or non-queued bids.

Unaccepted queued bids would be could be evaluated again if additional capacity became available.

Mr. Mills described the check out process as assumed OK, or "AOK". In this process, if no ATC or Ramp violations existed the schedule would be accepted in New York. He went on to explain that data validation for transaction schedules would be dependent upon manual procedures, and that the details for those procedure have yet to be worked out.

Open Scheduling System

Mr. Walt Pfunter, of the NYISO, presented an overview of the Open Scheduling System (OSS). He noted that an NPCC OSS User's Group has been formed and held meetings in Montreal, Detroit and Houston. Presentation had made before the Senior FERC staff and Western RTO working group.

MR. Pfunter expressed that the OSS was designed around principals that it should use open architecture, interface as closely as possible with existing systems, be scaled to handle growing volume, and establish standards for interaction between scheduling coordinators.

Mr. Pfunter reported that the implementation schedule for the OSS had been modified such that Phase 1 of the project is expect to go live in the third quarter of 2002. The schedule change was made necessary to address gaps in the business and technical design.

XI. Working Group Updates

XII. New Business

XIII. Administrative Matters

XIV. Adjournment

The meeting was adjourned at 3:50 pm.

Respectfully submitted,
David R. Evanoski, P.E.
Recording Secretary, Business Issues Committee

Business Issues Committee – Action Item Listing

Number	Action Items	Assigned to
BIC.02.20.02-1	Incorporate BME pricing along with DAM and Real-Time prices within the Market Operations Report.	C. King
BIC.02.20.02-2	Explore ways of presenting LSE price capped load bidding data in future market operations reports, and to report back to the BIC with examples of how the data might be presented.	S. Baiser
BIC.02.20.02-3	With respect to the transaction performance analysis, provide the BIC with a definition for “proposed transaction” at a future meeting	C. King
BIC.02.20.02-4	Correct slide 4-C of the Monthly Market Data report and re-issue	C. King
BIC.02.20.02-5	Schedule an AMP Task Force meeting for February 25, 2002 for the purpose of further reviewing and discussing the March 1 mitigation filing.	E. Robinson
BIC.02.20.02-6	Ensure that the revised Market Monitoring Plan tariff language be distributed at least three days before the filing date.	E. Robinson

NYISO Business Issues Committee Meeting

February 20, 2002
NYS Nurses Association, Albany, NY

MOTIONS OF THE MEETING

Motion #1:

WHEREAS, the Management Committee, at its February 7, 2002 meeting, approved revisions to the ISO Agreement and the Management Committee By-Laws proposed by the Management Committee's By-Laws & Governance Subcommittee;

WHEREAS, the Management Committee's revisions to the ISO Agreement require conforming changes to be made to Section 7.04 of the Business Issues Committee By-Laws; and

WHEREAS, the Management Committee, at its February 7, 2002 meeting, pre-approved for action by the Business Issues Committee the attached conforming amendments to Section 7.04 of the Business Issues Committee By-Laws;

NOW, THEREFORE, IT IS MOVED that the Business Issues Committee approve the attached amendments to the Business Issues Committee By-Laws.

(Motion passed unanimously by a show of hands)
(Amendments posted under 2/20 BIC Meeting Material as Agenda #7)

Motion #2:

Motion to approve the Proposed Interim Methodology for Subzone loss estimates as detailed below:

- ❖ Use same EDC Model that currently provides total NYCA loss estimate
- ❖ Use detailed EDC Areas to provide more accurate locational loss estimates within the NYCA
- ❖ Use breakdown factors for EDC Areas to estimate subzone losses
- ❖ 9 EDC Areas breakdown to 22 subzones

(Note: The methodology would be implemented for May, and would not be retroactive)

(Motion passed with 89.27 % affirmative votes)

Motion #3:

Motion to table Motion #2

(Motion failed with 38.37 % affirmative votes)

New York Independent System Operator - Committee Membership

Business Issues Committee - Attendance February 20, 2002 - Albany, NY - Parties Checked in Attendance

Organization	Sector	Representative	Alternate1	Alternate2	Alternate3	Alternate4	Alternate5	Alternate6	Proxy	Guest
NYS Energy Research & Develop. Auth.	End Use - Gov. Agency/Aggr.	Paul DeCotis								
The City of New York	End Use - Gov. Agency/Aggr.	✓ Jay Kooper	Richard Miller						Jonathan Wallach	
Alcoa/Reynolds Metals Company	End Use - Large Consumers	✓ Leonard Singer	✓ Robert Loughney	Michael Mager						
Amerada Hess Corporation	End Use - Large Consumers	Kevin LaGuardia	Keith Mills							
ATCO Management Co.	End Use - Large Consumers	Peter DiCapua	Scott Petersen	George Diamantopoulos	Steven Latargia					
IBM Corporation	End Use - Large Consumers	Leonard Singer	✓ Robert Loughney	Michael Mager						
Occidental Chemical Corp.	End Use - Large Consumers	Leonard Singer	✓ Robert Loughney	Michael Mager						
Praxair Inc.	End Use - Large Consumers	Christian Lenci	Leonard Singer	✓ Robert Loughney	Michael Mager					
Xerox Corporation	End Use - Large Consumers	Leonard Singer	✓ Robert Loughney	Michael Mager						
Metropolitan Transportation Authority	End Use - Large Cons. Gov.	✓ Jesse Samberg	Gary Caplan	Walter McCarroll						
Aaron Breidenbaugh	End Use - Small Consumers	✓ Aaron Breidenbaugh								
Association for Energy Affordability, Inc.	End Use - Small Consumers	David Hepinstall	Larry DeWitt							
Beth Israel Health Care System	End Use - Small Consumers	Catherine Luthin	✓ John Dowling	Jennifer Kearney	✓ Tariq Niazi	Doug Elfner				
Building and Realty Institute	End Use - Small Consumers	Herb Rose	Marjorie Ochrach	Ted Lee	Judith Mondre	✓ Tariq Niazi				
Caithness Energy, L.L.C	End Use - Small Consumers	Daniel McBrearty	Jack Feinstein							
Cianbro Corporation	End Use - Small Consumers	Ed Krapels	Brian Chernack							
Citizens Advisory Panel	End Use - Small Consumers	Gordian Raacke	Larry DeWitt							
CNYC Inc. (Council of NY Coop & Condo)	End Use - Small Consumers	Herb Rose	MaryAnn Rothman	Marjorie Ochrach	Ted Lee	Judith Mondre	✓ Tariq Niazi			
Columbia University	End Use - Small Consumers	Catherine Luthin	✓ John Dowling	Jennifer Kearney	✓ Tariq Niazi	Doug Elfner				
Hudson River Energy Group	End Use - Small Consumers	Frank Radigan								
Mount Sinai Medical Center	End Use - Small Consumers	Catherine Luthin	✓ John Dowling	Jennifer Kearney	✓ Tariq Niazi	Doug Elfner				
New York Energy Buyers Forum	End Use - Small Consumers	Marjorie Ochroch	Marjorie Ochroch	Ted Lee	✓ Tariq Niazi					
New York Presbyterian Hospital	End Use - Small Consumers	Catherine Luthin	✓ John Dowling	Jennifer Kearney	✓ Tariq Niazi	Doug Elfner				
New York University	End Use - Small Consumers	Catherine Luthin	✓ John Dowling	Jennifer Kearney	✓ Tariq Niazi	Doug Elfner				
Refined Sugars, Inc.	End Use - Small Consumers	John Gebhard	Paul Faia	Catherine Luthin	✓ John Dowling	Jennifer Kearney				
William P. Short	End Use - Small Consumers	William Short	Marc Schaefer	Joe DeVito	John Brodbeck	Ron Matlock	Paul Savage	Jim Verna	Roberto Denis	
NY State Consumer Protection Board	End Use - State Agency	✓ Tariq Niazi	Doug Elfner							
AES NY	Generation Owners	Doug Roll	✓ Charles Sjoberg							✓ Chris Wentlent
American National Power, Inc.	Generation Owners	Dorothy Capra	Bill Henson							
Astoria Energy LLC	Generation Owners	William May	Leonard Singer							
Calpine	Generation Owners	John Eff	Thomas Kaslow	✓ Richard Felak						
East Coast Power	Generation Owners	✓ Roy Shanker	Gary Keevill							
Edison Mission Marketing & Trading	Generation Owners	✓ William Roberts	Robert Agnello	Jeffrey Ellis						
Entergy Nuclear Northeast	Generation Owners	✓ Marc Potkin	William Stone	Ron Mackowiak						
Indeck Energy Services	Generation Owners	Mike Ferguson	John Schrage	✓ Mark Younger						
KeySpan Ravenswood, Inc	Generation Owners	Kevin Knapp	Rich Hohlman	✓ Dick Ackerson	Ron Lukas	Terrence Kain	James D'Andrea	R Plaskon		
Mirant New York, Inc.	Generation Owners	Vicki Lynch	✓ Joe Holtman	Mark Petro	✓ Doreen Saia					
NRG Energy	Generation Owners	Joe Devito	✓ Frank Rapley	Paul Savage	Marc Dworkin	Ruben Brown	Peter Chamberlain	✓ Keith O'Neal	Chris Young	
Orion Power New York	Generation Owners	Mary Lynch	Mark Sudbey	John Reese					✓ Bruce Bleiweis	
PG&E Generating	Generation Owners	✓ Steve McDonald	Jeff Simmons							
PSEG Energy Resources & Trade	Generation Owners	✓ Howard Fromer	Michael LaFalce	✓ Bob Logan	Dennis Sobieski					
Sithe Energies, Inc.	Generation Owners	Tim Bush	✓ Garry Brown	David Applebaum						✓ Glenn Haake
TransCanada Power Marketing	Generation Owners	William Taylor	Elaine Beaudry							
NYS Department of Public Service	Non-voting	Joel Brainard	✓ Bill Heinrich							
1st Rochdale Cooperative NYC	Other Suppliers	Phyllis Kessler	Gregory Wortham	Andrea Mendez						
Advantage Energy, Inc.	Other Suppliers	Kyle Storie								
American Electric Power (AEP) Srvc. Corp.	Other Suppliers	Ron McNamara	Paul Leanza							
Aquila Energy Marketing Corp.	Other Suppliers	Jason Stever	Peter Brown	David Wiesner	✓ Pamela VanHorn	Richard Mooney				
Cinergy Capital and Trading	Other Suppliers	Jan Bagnall	John Ambrose							
Con Edison Energy	Other Suppliers	✓ Stephen Wemple	Ivan Kimball							
Con Edison Solutions	Other Suppliers	✓ Stephen Wemple	Rich Staines							
Connectiv	Other Suppliers	Steve Huntoon	Bill Fehr							
Constellation Power Source	Other Suppliers	✓ Glen McCartney	David Taylor	Harvey Reed						
Duke Energy North America, LLC	Other Suppliers	Ronald Matlock	Del Disher	Tom Bankert						
Dynegy	Other Suppliers	Other Suppliers	Chad Wagner							
EI Paso Merchant Energy	Other Suppliers	✓ Alan Foster	Eric Stoerr							
Energetix, Inc.	Other Suppliers	Barney Farnsworth	Gerald Strassner							
Exelon Generation - Power Team	Other Suppliers	Jeff Guistwhite		Regina Carrado	✓ Garry Brown					
FPL Energy	Other Suppliers	✓ Bill Fenerty	Dan Wheeler							
HQ Energy Services	Other Suppliers	✓ Michel Prevost	Paul Norris							
KeySpan Energy Services	Other Suppliers	Ron Lukas	Ruben Brown	Peter Chamberlain	John Smith					

New York Independent System Operator - Committee Membership

Business Issues Committee - Attendance February 20, 2002 - Albany, NY - Parties Checked in Attendance

Organization	Sector	Representative	Alternate1	Alternate2	Alternate3	Alternate4	Alternate5	Alternate6	Proxy	Guest
Morgan Stanley Capital Group	Other Suppliers	Patrick Murray	Karen Kochonies	Levon Kazarian	Doron Ezickson					
New Energy Inc.	Other Suppliers	Peter Duprey	✓ Stephen Fernands							✓ Bill Schofield
NU / Select Energy	Other Suppliers	✓ James Scheiderich	Gunnar Jorgensen							
Ontario Power Generation Inc.	Other Suppliers	Tasos Karatsoreos	Brian McConville	Ken Lacivita	Scott McArthur	Erica Cheung				
PP&L Energy Plus	Other Suppliers	Jim Strobel	Harry Tom	Roland Moor						
Semptra Energy Trading	Other Suppliers	Tom Halleran	Dana Volpe	✓ Russel Like	Mally Becker	Bob Chilton				
Strategic Energy LLC	Other Suppliers	Michael Swider	Jeffrey Knox	James McCormick	Helen Caldwell					
Strategic Power Management, Inc.	Other Suppliers	✓ Mario DiValentino	Tom Folchi	Dan Duthie						
Transalta (formerly MEGA)	Other Suppliers	Daniel Lobue	John Carmody							
TransÉnergie U.S. Ltd.	Other Suppliers	Michael Jacobs	José Rotger							
Williams Energy Marketing & Trading Co.	Other Suppliers	Dennis Keener	Robert O'Connell							
Long Island Power Authority	Public Power - Authorities	✓ James Parmelee	Alan Elberfeld	✓ Kevin Jones						
New York Power Authority	Public Power - Authorities	Bob Deasy	✓ Bob Gow	Paul Rougeaux						
American Wind Energy Association	Public Power - Environmental	David Wooley	Larry DeWitt							
Environmental Advocates	Public Power - Environmental	Anne Reynolds	Larry DeWitt							
Nat'l Resources Defense Council	Public Power - Environmental	Dale Bryk	Larry DeWitt							
Pace University	Public Power - Environmental	Edward Smeloff	Larry DeWitt							
Scenic Hudson	Public Power - Environmental	Larry DeWitt								
Bath Electric, Gas & Water Systems	Public Power - Munis & Co-ops	Ken Moore	Matthew Benesh	Jim Hamilton	Paul Pallas	Jack Brown			✓ Tom Rudebusch	
City of Jamestown Board of Pub. Util.	Public Power - Munis & Co-ops	Michael Darroch	✓ David Gustafson	Wally Haase	✓ Tom Rudebusch					
Plattsburgh Municipal Lighting Dept.	Public Power - Munis & Co-ops	Jack Brown	Ken Moore	✓ Tom Rudebusch						
Village of Fairport	Public Power - Munis & Co-ops	Ken Moore	✓ Tom Rudebusch	Paul Pallas						
Village of Freeport	Public Power - Munis & Co-ops	Hubert Bianco	Robert Kortright	✓ Anthony Fiore						
Village of Rockville Centre	Public Power - Munis & Co-ops	Paul Pallas	Ken Moore	Jim Hamilton	Jack Brown	Matthew Benesh			✓ Tom Rudebusch	
Village of Westfield	Public Power - Munis & Co-ops	Jim Hamilton	Ken Moore	Matthew Benesh	Jack Brown	Paul Pallas			✓ Tom Rudebusch	
Central Hudson Gas & Electric	Transmission Owners	James Valleau	✓ Thomas Canino	Jeff May	Rick Greener					
Consolidated Edison	Transmission Owners	Michael Forte	Gary Rozmus	✓ Gerry Dunbar						
Niagara Mohawk Power Company	Transmission Owners	✓ Jerry Ancona	Martin Amati	Scott Leuthauser						
NY State Electric Gas (NYSEG)	Transmission Owners	✓ Rick Mancini	John Kobuskie	✓ Ray Kinney	✓ Gary Freeland				David Kimiecik(BIC)	
Orange & Rockland, Inc.	Transmission Owners	Gary Rozmus								
Rochester Gas & Electric	Transmission Owners	Laurie King-Pirchner	✓ Gerald Walter						✓ Tricia Reilly	
New Member	Non-voting									
New Member	Non-voting									
New Member	Non-voting									
New Member	Non-voting	None Assigned								
New Member	Non-voting									
New Member	Non-voting									
New Member	Non-voting									
New Member	Non-voting									

NYISO and Hunton & Williams Members in Attendance:

Ira Freilicher	Hunton & Williams
Gina Fedele	Hunton & Williams
✓ James Schmidt	Hunton & Williams
✓ Steve Balsler	NYISO
✓ Kristen Kranz	NYISO
✓ Elaine Robinson	NYISO Market Advisor
✓ Leigh Bullock	NYISO
✓ Jane Lathrop	NYISO
✓ John Cutting	NYISO
✓ Kathy Whitaker	NYISO
✓ Ernie Cardone	NYISO
✓ Andrew Hartshorn	NYISO/LECG

Key:

✓ = In attendance

New York Independent System Operator

Business Issues Committee - February 20, 2002

Motion: Motion #2

Result: Motion Passed

Sector with base percent	%	Active	Quorum	Adj. Percent	For	Against	Abstain	% For	% Against	
Generation Owners	21.5	✓	✓	21.50	3.00	0.00	8	21.50	0.00	
Other Suppliers	21.5	✓	✓	21.50	4.00	0.00	5	21.50	0.00	
Transmission Owners	20.0	✓	✓	20.00	3.00	0.00	2	20.00	0.00	
End Use Consumers			✓							
Large Consumers	9.0	✓		9.00	0.00	0.00	5	0.00	0.00	
Large Cons. Gov. Agency	2.0	✓		2.00	0.00	0.00	1	0.00	0.00	
Small Consumers	4.5	✓		4.50	0.00	0.00	10	0.00	0.00	
Gov. State-wide Cons. Advocate	2.7	✓		2.70	1.00	0.00	0	4.50	0.00	
Gov. Sm. Cons. & Retail Aggr.	1.8	✓		1.80	0.00	0.00	1	0.00	0.00	
Public Power			✓							
State Power Authorities	8	✓		9.07	0.00	1.00	1	0.00	9.07	
Munis and Coops	7	✓		7.93	6.00	0.00	1	7.93	0.00	
Environmental	2	✓		0.00	0.00	0.00	0	0.00	0.00	
				5	100.00	17.00	1.00	34	75.43	9.07
					84.50	Normalized to 100% :		89.27	10.73	

New York Independent System Operator

Business Issues Committee - February 20, 2002

Motion Motion #2

Sector	Organization	Representative	Affiliate	Present	For	Against
End Use - Gov. Agency/Aggr.	NYS Energy Research & Develop. Auth.					
End Use - Gov. Agency/Aggr.	The City of New York	Jay Kooper		y		
End Use - Large Consumers	Alcoa/Reynolds Metals Company	Robert Loughney		y		
End Use - Large Consumers	Amerada Hess Corporation					
End Use - Large Consumers	ATCO Management Co.					
End Use - Large Consumers	IBM Corporation	Robert Loughney		y		
End Use - Large Consumers	Occidental Chemical Corp.	Robert Loughney		y		
End Use - Large Consumers	Praxair Inc.	Robert Loughney		y		
End Use - Large Consumers	Xerox Corporation	Robert Loughney		y		
End Use - Large Cons. Gov.	Metropolitan Transportation Authority	Jesse Samberg		y		
End Use - Small Consumers	Aaron Breidenbaugh	Aaron Breidenbaugh		y		
End Use - Small Consumers	Association for Energy Affordability, Inc.					
End Use - Small Consumers	Beth Israel Health Care System	John Dowling		y		
End Use - Small Consumers	Building and Realty Institute	Tariq Niazi		y		
End Use - Small Consumers	Caithness Energy, LLC					
End Use - Small Consumers	Cianbro Corporation					
End Use - Small Consumers	Citizens Advisory Panel					
End Use - Small Consumers	CNYC Inc. (Council of NY Coop & Condo)	Tariq Niazi		y		
End Use - Small Consumers	Columbia University	John Dowling		y		
End Use - Small Consumers	Hudson River Energy Group					
End Use - Small Consumers	Mount Sinai Medical Center	John Dowling		y		
End Use - Small Consumers	New York Energy Buyers Forum	Tariq Niazi		y		
End Use - Small Consumers	New York Presbyterian Hospital	John Dowling		y		
End Use - Small Consumers	New York University	John Dowling		y		
End Use - Small Consumers	Refined Sugars, Inc.	John Dowling		y		
End Use - Small Consumers	William P. Short					
End Use - State Agency	NY State Consumer Protection Board	Tariq Niazi		y	1.00	
Generation Owners	AES NY	Charles Sjoberg		y	1.00	
Generation Owners	American National Power, Inc.					
Generation Owners	Astoria Energy LLC					
Generation Owners	Calpine	Richard Felak		y		
Generation Owners	East Coast Power	Roy Shanker	y	y		
Generation Owners	Edison Mission Marketing & Trading	William Roberts		y		
Generation Owners	Entergy Nuclear Northeast	Marc Potkin		y		
Generation Owners	Indeck Energy Services	Mark Younger		y		
Generation Owners	KeySpan Ravenswood, Inc	Dick Ackerson		y		
Generation Owners	Mirant New York, Inc.	Joe Holtman		y		
Generation Owners	NRG Energy	Frank Rapley		y		
Generation Owners	Orion Power New York	Bruce Bleiweis		y	1.00	
Generation Owners	PG&E Generating	Steve McDonald		y		
Generation Owners	PSEG Energy Resources & Trade	Howard Fromer		y	1.00	
Generation Owners	Sithe Energies, Inc.	Garry Brown	y	y		
Generation Owners	TransCanada Power Marketing					
Non-voting	NYS Department of Public Service	Bill Heinrich	y	y		
Other Suppliers	1st Rochdale Cooperative NYC					
Other Suppliers	Advantage Energy, Inc.					
Other Suppliers	American Electric Power (AEP) Srvc. Corp.					
Other Suppliers	Aquila Energy Marketing Corp.	Pamela VanHorn		y		
Other Suppliers	Cinergy Capital and Trading					
Other Suppliers	Con Edison Energy	Stephen Wemple	y	y		
Other Suppliers	Con Edison Solutions	Stephen Wemple	y	y		
Other Suppliers	Conectiv					
Other Suppliers	Constellation Power Source	Glen McCartney		y	1.00	
Other Suppliers	Duke Energy North America, LLC					
Other Suppliers	Dynegy					
Other Suppliers	El Paso Merchant Energy	Alan Foster		y	1.00	
Other Suppliers	Energetix, Inc.		y			
Other Suppliers	Exelon Generation - Power Team	Garry Brown		y		
Other Suppliers	FPL Energy	Bill Fenerty		y		
Other Suppliers	HQ Energy Services	Michel Prevost		y		
Other Suppliers	KeySpan Energy Services		y			
Other Suppliers	Morgan Stanley Capital Group					
Other Suppliers	New Energy Inc.	Stephen Fernands	y	y		
Other Suppliers	NU / Select Energy	James Scheiderich		y	1.00	
Other Suppliers	Ontario Power Generation Inc.					
Other Suppliers	PP&L Energy Plus					
Other Suppliers	Sempra Energy Trading	Russel Like		y		
Other Suppliers	Strategic Energy LLC					
Other Suppliers	Strategic Power Management, Inc.	Mario DiValentino		y	1.00	
Other Suppliers	Transalta (formerly MEGA)					
Other Suppliers	TransEnergie U.S. Ltd.		y			
Other Suppliers	Williams Energy Marketing & Trading Co.					
Public Power - Authorities	Long Island Power Authority	James Parmelee		y		
Public Power - Authorities	New York Power Authority	Bob Gow		y		1.00
Public Power - Environmental	American Wind Energy Association					
Public Power - Environmental	Environmental Advocates					
Public Power - Environmental	Nat'l Resources Defense Council					
Public Power - Environmental	Pace University					
Public Power - Environmental	Scenic Hudson					
Public Power - Munis & Co-ops	Bath Electric, Gas & Water Systems	Tom Rudebusch		y	1.00	
Public Power - Munis & Co-ops	City of Jamestown Board of Pub. Util.	David Gustafson		y	1.00	
Public Power - Munis & Co-ops	Plattsburgh Municipal Lighting Dept.	Tom Rudebusch		y	1.00	
Public Power - Munis & Co-ops	Village of Fairport	Tom Rudebusch		y	1.00	
Public Power - Munis & Co-ops	Village of Freeport	Anthony Fiore		y		
Public Power - Munis & Co-ops	Village of Rockville Centre	Tom Rudebusch		y	1.00	
Public Power - Munis & Co-ops	Village of Westfield	Tom Rudebusch		y	1.00	
Transmission Owners	Central Hudson Gas & Electric	Thomas Canino		y	1.00	
Transmission Owners	Consolidated Edison	Gerry Dunbar		y		
Transmission Owners	Niagara Mohawk Power Company	Jerry Ancona		y	1.00	
Transmission Owners	NY State Electric Gas (NYSEG)	Rick Mancini		y	1.00	
Transmission Owners	Orange & Rockland, Inc.		y			
Transmission Owners	Rochester Gas & Electric	Gerald Walter		y		

New York Independent System Operator

Business Issues Committee - February 20, 2002

Motion: Motion #3

Result: Motion Failed

Sector with base percent	%	Active	Quorum	Adj. Percent	For	Against	Abstain	% For	% Against		
Generation Owners	21.5	✓	✓	21.50	0.00	2.00	9	0.00	21.50		
Other Suppliers	21.5	✓	✓	21.50	1.00	4.00	4	4.30	17.20		
Transmission Owners	20.0	✓	✓	20.00	1.00	3.00	1	5.00	15.00		
End Use Consumers			✓								
Large Consumers	9.0	✓		9.00	5.00	0.00	0	13.33	0.00		
Large Cons. Gov. Agency	2.0	✓		2.00	0.00	0.00	1	0.00	0.00		
Small Consumers	4.5	✓		4.50	6.00	0.00	4	6.67	0.00		
Gov. State-wide Cons. Advocate	2.7	✓		2.70	0.00	0.00	1	0.00	0.00		
Gov. Sm. Cons. & Retail Aggr.	1.8	✓		1.80	0.00	0.00	1	0.00	0.00		
Public Power			✓								
State Power Authorities	8	✓		9.07	2.00	0.00	0	9.07	0.00		
Munis and Coops	7	✓		7.93	0.00	7.00	0	0.00	7.93		
Environmental	2	✓		0.00	0.00	0.00	0	0.00	0.00		
					5	100.00	15.00	16.00	21	38.37	61.63
					100.00 Normalized to 100% :			38.37	61.63		

New York Independent System Operator

Business Issues Committee - February 20, 2002

Motion Motion #3

Sector	Organization	Representative	Affiliate	Present	For	Against
End Use - Gov. Agency/Aggr.	NYS Energy Research & Develop. Auth.					
End Use - Gov. Agency/Aggr.	The City of New York	Jay Kooper		y		
End Use - Large Consumers	Alcoa/Reynolds Metals Company	Robert Loughney		y	1.00	
End Use - Large Consumers	Amerada Hess Corporation					
End Use - Large Consumers	ATCO Management Co.					
End Use - Large Consumers	IBM Corporation	Robert Loughney		y	1.00	
End Use - Large Consumers	Occidental Chemical Corp.	Robert Loughney		y	1.00	
End Use - Large Consumers	Praxair Inc.	Robert Loughney		y	1.00	
End Use - Large Consumers	Xerox Corporation	Robert Loughney		y	1.00	
End Use - Large Cons. Gov.	Metropolitan Transportation Authority	Jesse Samberg		y		
End Use - Small Consumers	Aaron Breidenbaugh	Aaron Breidenbaugh		y		
End Use - Small Consumers	Association for Energy Affordability, Inc.					
End Use - Small Consumers	Beth Israel Health Care System	John Dowling		y	1.00	
End Use - Small Consumers	Building and Realty Institute	Tariq Niazi		y		
End Use - Small Consumers	Caithness Energy, LLC					
End Use - Small Consumers	Cianbro Corporation					
End Use - Small Consumers	Citizens Advisory Panel					
End Use - Small Consumers	CNYC Inc. (Council of NY Coop & Condo)	Tariq Niazi		y		
End Use - Small Consumers	Columbia University	John Dowling		y	1.00	
End Use - Small Consumers	Hudson River Energy Group					
End Use - Small Consumers	Mount Sinai Medical Center	John Dowling		y	1.00	
End Use - Small Consumers	New York Energy Buyers Forum	Tariq Niazi		y		
End Use - Small Consumers	New York Presbyterian Hospital	John Dowling		y	1.00	
End Use - Small Consumers	New York University	John Dowling		y	1.00	
End Use - Small Consumers	Refined Sugars, Inc.	John Dowling		y	1.00	
End Use - Small Consumers	William P. Short					
End Use - State Agency	NY State Consumer Protection Board	Tariq Niazi		y		
Generation Owners	AES NY	Charles Sjoberg		y		1.00
Generation Owners	American National Power, Inc.					
Generation Owners	Astoria Energy LLC					
Generation Owners	Calpine	Richard Felak		y		
Generation Owners	East Coast Power	Roy Shanker	y	y		
Generation Owners	Edison Mission Marketing & Trading	William Roberts		y		
Generation Owners	Entergy Nuclear Northeast	Marc Potkin		y		
Generation Owners	Indeck Energy Services	Mark Younger		y		
Generation Owners	KeySpan Ravenswood, Inc	Dick Ackerson		y		
Generation Owners	Mirant New York, Inc.	Joe Holtman		y		
Generation Owners	NRG Energy	Frank Rapley		y		
Generation Owners	Orion Power New York	Bruce Bleiweis		y		
Generation Owners	PG&E Generating	Steve McDonald		y		
Generation Owners	PSEG Energy Resources & Trade	Howard Fromer		y		1.00
Generation Owners	Sithe Energies, Inc.	Garry Brown	y	y		
Generation Owners	TransCanada Power Marketing					
Non-voting	NYS Department of Public Service	Bill Heinrich	y	y		
Other Suppliers	1st Rochdale Cooperative NYC					
Other Suppliers	Advantage Energy, Inc.					
Other Suppliers	American Electric Power (AEP) Srvc. Corp.					
Other Suppliers	Aquila Energy Marketing Corp.	Pamela VanHorn		y		
Other Suppliers	Cinergy Capital and Trading					
Other Suppliers	Con Edison Energy	Stephen Wemple	y	y		
Other Suppliers	Con Edison Solutions	Stephen Wemple	y	y		
Other Suppliers	Conectiv					
Other Suppliers	Constellation Power Source	Glen McCartney		y		1.00
Other Suppliers	Duke Energy North America, LLC					
Other Suppliers	Dynegy					
Other Suppliers	El Paso Merchant Energy	Alan Foster		y		1.00
Other Suppliers	Energetix, Inc.		y			
Other Suppliers	Exelon Generation - Power Team	Garry Brown		y		
Other Suppliers	FPL Energy	Bill Fenerty		y		
Other Suppliers	HQ Energy Services	Michel Prevost		y		
Other Suppliers	KeySpan Energy Services		y			
Other Suppliers	Morgan Stanley Capital Group					
Other Suppliers	New Energy Inc.	Stephen Fernands	y	y		
Other Suppliers	NU / Select Energy	James Scheiderich		y		1.00
Other Suppliers	Ontario Power Generation Inc.					
Other Suppliers	PP&L Energy Plus					
Other Suppliers	Sempra Energy Trading	Russel Like		y	1.00	
Other Suppliers	Strategic Energy LLC					
Other Suppliers	Strategic Power Management, Inc.	Mario DiValentino		y		1.00
Other Suppliers	Transalta (formerly MEGA)					
Other Suppliers	TransEnergie U.S. Ltd.		y			
Other Suppliers	Williams Energy Marketing & Trading Co.					
Public Power - Authorities	Long Island Power Authority	James Parmelee		y	1.00	
Public Power - Authorities	New York Power Authority	Bob Gow		y	1.00	
Public Power - Environmental	American Wind Energy Association					
Public Power - Environmental	Environmental Advocates					
Public Power - Environmental	Nat'l Resources Defense Council					
Public Power - Environmental	Pace University					
Public Power - Environmental	Scenic Hudson					
Public Power - Munis & Co-ops	Bath Electric, Gas & Water Systems	Tom Rudebusch		y		1.00
Public Power - Munis & Co-ops	City of Jamestown Board of Pub. Util.	David Gustafson		y		1.00
Public Power - Munis & Co-ops	Plattsburgh Municipal Lighting Dept.	Tom Rudebusch		y		1.00
Public Power - Munis & Co-ops	Village of Fairport	Tom Rudebusch		y		1.00
Public Power - Munis & Co-ops	Village of Freeport	Anthony Fiore		y		1.00
Public Power - Munis & Co-ops	Village of Rockville Centre	Tom Rudebusch		y		1.00
Public Power - Munis & Co-ops	Village of Westfield	Tom Rudebusch		y		1.00
Transmission Owners	Central Hudson Gas & Electric	Thomas Canino		y		1.00
Transmission Owners	Consolidated Edison	Gerry Dunbar		y	1.00	
Transmission Owners	Niagara Mohawk Power Company	Jerry Ancona		y		1.00
Transmission Owners	NY State Electric Gas (NYSEG)	Rick Mancini		y		1.00
Transmission Owners	Orange & Rockland, Inc.		y			
Transmission Owners	Rochester Gas & Electric	Gerald Walter		y		